

Substitute Bill No. 319

January Session, 2013



AN ACT PROHIBITING MANDATORY ALTERNATIVE DISPUTE RESOLUTION CLAUSES IN HOME IMPROVEMENT AND NEW HOME CONSTRUCTION CONTRACTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- Section 1. Subsection (b) of section 20-429 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July*
- 3 1, 2014):
 4 (b) No home improvement contract shall be valid or enforceable
 5 against an owner if it includes: [any] (1) A provision obligating the
 - owner to instruct the home improvement contractor, by a date determined by such contractor, that periodic home improvements are
- 8 not to be performed unless it also includes a provision requiring the
- 9 contractor to remind the owner of that obligation by means of a card or
- 10 letter mailed to the owner and postmarked not earlier than twenty
- 11 days, and not later than ten days, prior to such date, or (2) a
- 12 <u>mandatory alternative dispute resolution clause</u>.
- Sec. 2. Section 20-417d of the general statutes is amended by adding subsection (e) as follows (*Effective July 1, 2014*):
- 15 (NEW) (e) No contract shall be valid or enforceable against a
- 16 consumer if it includes a mandatory alternative dispute resolution
- 17 clause.

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This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2014	20-429(b)
Sec. 2	July 1, 2014	20-417d

GL Joint Favorable Subst.